



**North Carolina Department of Health and Human Services
Division of Mental Health, Developmental Disabilities and Substance Abuse Services**

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Beverly Eaves Perdue, Governor
Lanier M. Cansler, Secretary

Leza Wainwright, Director

January 25, 2009

MEMORANDUM

TO: LME Directors
FROM: Leza Wainwright 
RE: Legislative Requirement for LME Annual Reporting of County Expenditures: SFY 07-08

Session Law 2007-323 (HB 1473), Section 10.49(ff) requires LMEs to:

"report annually to the Division all expenditures from county funds by the LME for services, start-up expenses, and capital and operational expenditures, regardless of the source of the funds and regardless of whether the funds were earned on a payment for service or grant basis. This reporting shall include specific information regarding the expenditure of all funds provided to the LME by the county or counties contained in the LME's catchment area and the amount of expenditures for services provided by the multicounty LME to residents of each county in the multicounty LME's catchment area. To the extent possible, the information shall be submitted through the Integrated Payment and Reimbursement System."

In order to respond to this legislative requirement, the Division convened a County Funds Workgroup which included fiscal officers and IT professionals from four LMEs (Mecklenburg, Sandhills, Wake, and Western Highlands), representatives from the NC Association of County Commissioners and the NC Council of Community Programs, and Division staff. After much deliberation, the County Funds Workgroup recommended that LMEs report this information annually on an Excel spreadsheet, the *LME Annual Report on Utilization of County Funds*. The template for the Annual Report for SFY 2007-08 is attached.

In addition, per the legislation, the Division is finalizing changes to IPRS that will allow LMEs to report county-funded services through IPRS for SFY 2008-09 and thereafter. The county-funded services that are reported through IPRS will be included in the future in the calculation of claims-based performance indicators published in the Division's quarterly *Community Systems Progress Report*. Instructions on how to report claims paid with county funds to IPRS will be published shortly.

The SFY 2007-2008 annual report should be submitted by e-mail to Wanda.Mitchell@ncmail.net by Friday, February 27, 2009. In future fiscal years, this report will be due in the fall of the subsequent fiscal year.

If you have any questions regarding this report, please contact Spencer Clark at Spencer.Clark@ncmail.net or (919) 733-4670.

Enclosure

cc: Secretary Lanier Cansler
MH Commission Chair
Executive Leadership Team
Yvonne Copeland
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SCFAC Chair
Denise Harb
Mark Van Sciver

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